



STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS
California's Investment and Financing Authority

NEWS RELEASE

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Arnold Schwarzenegger, Governor

William P. Wood, Commissioner

FOR IMMEDIATE RELEASE
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**California Department of Corporations Issues Order to
“Cash Now” Halting Sales of Illegal Franchises and Securities**

*Corporations Commissioner Urges Potential Investors to Check the Legitimacy of all
Investment Products with the Department of Corporations Before Investing*

SACRAMENTO --- The California Department of Corporations has ordered three companies affiliated with “Cash Now” to immediately desist and refrain from their continued selling of illegal securities and franchises in California, the Department announced today.

The orders were issued to three known businesses – Cash Now.com, LLC, Cash Now Plus.com, LLC and Cash Now-USA.com, Inc. – for offering to sell unregistered franchises or unqualified securities in California. The franchises that Cash Now affiliates offered for sale were for “payday loan” businesses, and the securities offered were in the form of promissory notes that guaranteed investors a monthly income of between 12 and 24 percent annually from profits made by the payday loan businesses. An investigation by the Department of Corporations revealed that Cash Now officials misrepresented vital information to potential investors and failed to disclose existing administrative orders from other states against the companies, as required by law.

“This action prevents California consumers from being defrauded by an illegal investment and protects the hundreds of legitimate businesses and their industry from bad actors who try pulling these stunts,” said Corporations Commissioner William P. Wood. “Anybody who is considering an investment opportunity should first verify with the Department of Corporations that the product is legitimate.”

The Department is aware of at least five Californians who have purchased an illegal Cash Now franchise or security. Similar orders have been issued to Cash Now entities in at least three other states, including Washington, Wisconsin and Illinois. The orders issued by the California Department of Corporations bar the Cash Now companies from further offering franchise and security investments.

The Department of Corporations is California's Investment and Financing Authority. The Department is responsible for the regulation, enforcement and licensing of securities, franchises, off-exchange commodities, investment and financial services, independent escrows, consumer and commercial finance lending and residential mortgage lending. For further information or to obtain a complaint form, please visit the Department's web site at www.corp.ca.gov or call 1-866-ASK-CORP (1-866-275-2677).